

Decision No. 23632.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES GAS AND ELECTRIC CORPORA-)
TION for an order authorizing the)
issuance and use for sinking fund pur-)
poses of \$482,100.00 par value of its)
Series "J" bonds.)

Application No. 17274.

Paul Overton, for applicant.

ORIGINAL

BY THE COMMISSION:

O P I N I O N

In this proceeding Los Angeles Gas and Electric Corporation asks the Commission to enter its order authorizing it to issue at par \$482,100.00 face value of its Series "J" general and refunding mortgage gold bonds and deliver such bonds to the Security-First National Bank of Los Angeles, as trustee under its trust indenture dated March 1, 1921.

It appears that under the provisions of applicant's trust indenture of March 1, 1921, applicant must pay to the Security-First National Bank of Los Angeles, as trustee under said trust indenture, on May 1, 1931 as a sinking fund, the sum of \$482,077.50, or in lieu thereof applicant may deliver to said trustee for said sinking fund at par value thereof, bonds secured by said indenture. Under the provisions of applicant's trust indenture of September 1, 1926, which indenture secures the payment of applicant's first and general mortgage bonds, applicant may issue and have authenticated from time to time, \$9,500,000.00 principal amount of its general and refunding

mortgage bonds secured by the trust indenture of March 1, 1921, and deposit such bonds in the sinking fund created by the trust indenture of March 1, 1921, from time to time, as payments become due thereon in lieu of depositing cash in said sinking fund. The company has heretofore deposited \$2,006,800.00 face value of said \$9,500,000.00 of bonds.

In support of the request to issue bonds, the company alleges that between August 1, 1926 and December 31, 1930, it has expended \$11,555,418.70, against which the Commission has not authorized the issue of any securities. Of this expenditure, applicant intends to use \$642,800.00 as a basis for the issuance of the \$482,100.00 of Series "J" bonds referred to in this application. Because of the excess of expenditures over the face amount of bonds proposed to be issued, it does not seem to us necessary to make a detailed examination of all of the company's expenditures.

O R D E R

Los Angeles Gas and Electric Corporation having applied to the Railroad Commission for permission to issue \$482,100.00 of Series "J" bonds, a public hearing having been held before Examiner Fankhauser, the Commission having considered the request of applicant and being of the opinion that the money, property or labor to be procured or paid for through the issue of such bonds is reasonably required for the purpose herein specified, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income;

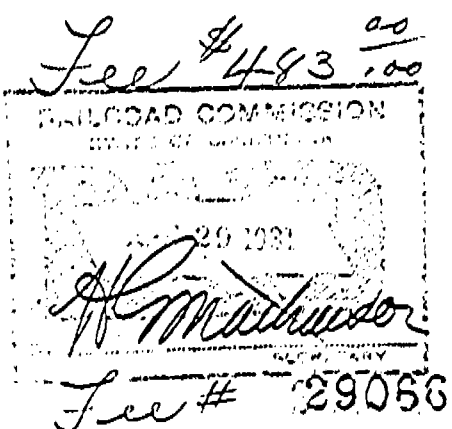
IT IS HEREBY ORDERED that Los Angeles Gas and Electric Corporation be, and it hereby is, authorized to issue at not less than their

face value, \$482,100.00 face value of its Series "X" general and refunding mortgage five percent gold bonds for the purpose of financing in part the construction expenditures referred to in the opinion preceding this order, and more particularly set forth in Exhibit "C" filed in this proceeding, and to deposit such bonds in the sinking fund created under and pursuant to its trust indenture of March 1, 1921.

The authority herein granted is subject to the following conditions:-

1. Applicant shall file within thirty(30) days after the issue of the bonds herein authorized a verified report, as required by the Railroad Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.
2. The authority herein granted will become effective when applicant has paid the fee prescribed by Section fifty-seven of the Public Utilities Act, which fee is Four Hundred and Eighty-three(\$483.00) Dollars.

DATED at San Francisco, California, this 27th day of April, 1931.



C. C. Bennett
Leon Whiteall
W. J. Lee
W. B. Harris
Fred G. Stevens
Commissioners.